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Office of the
Healthcare
Advocate
STATE OF CONNECTICUT

Testimony of Victoria Veltri
State Healthcare Advocate
Before the Insurance and Real Estate Committee
Re SB 36
February 18, 2016

Good afternoon, Senator Crisco, Representative Megna, Senator Hartley, Representative Zoni, and members of the Insurance and Real Estate Committee. For the record, I am Victoria Veltri, State Healthcare Advocate with the Office Healthcare Advocate ("OHA"). OHA is an independent state agency with a three-fold mission: assuring consumers have access to medically necessary healthcare; educating consumers about their rights and responsibilities under health plans; and, informing you of problems consumers are facing in accessing care and proposing solutions to those problems.

I appreciate the opportunity to comment in support of SB 36, An Act Concerning Health Insurance Coverage of Orally and Intravenously Administered Medications. This proposed bill seeks to create a level of parity between orally and intravenously administered medications used for the treatment of disabling or life-threatening chronic diseases, requiring that insurers provide coverage for orally administered medications at a level that is at least as favorable as the coverage provided for therapeutically similar intravenously administered medications. Currently, many viable options for the treatment, palliation or therapeutic intervention of disabling or life-threatening chronic diseases available to consumers requires that the medication be administered intravenously. However, advances in treatment have resulted in the availability of orally administered, clinically appropriate medications for the management of these diseases in less structured settings.

SB 36 promotes access to treatment by seeking to equalize the cost difference between I.V. medications and orally administered medications. I.V. injections are typically covered by insurance as a medical benefit in an office setting, while oral medications are covered under a pharmacy benefit, with significantly higher consumer cost sharing. While consumers face greater fiscal barriers to choosing to treat with oral medication, the overall costs of I.V. medications are higher, with associated medical and hospital fees for the infusion, plus the cost of the medication itself. SB 36 merely gives the consumer a real choice.

Concerns that this might represent a new mandate, with the associated fiscal liability for the state, were addressed last year, while this Committee considered SB 7. The Connecticut Insurance Department reviewed the possible impact and, after consulting with the Center for Consumer Information and Insurance Oversight within the U.S. Department of Health and Human Services, confirmed that this does not represent a new mandate imposing fiscal liability for the state.

With the expanded coverage of orally administered medications, consumers and their caregivers may anticipate greater treatment options for various chronic and painful diseases. Expanded insurance coverage of medication for chronic conditions would also be expected to improve patient adherence, and thereby reduce the number of complications, and associated health care costs, experienced by this patient population. Increases in treatment options may also be expected to yield increased competition, with a corresponding decrease in overall costs, among oral and intravenous medications available in the pharmaceutical market.

Thank you very much for your persistence and commitment to this timely and important issue. If you have any questions concerning my testimony, please feel free to contact me at victoria.veltri@ct.gov.